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United States Supreme Court

J.E.M. Ag Supply, Inc.
dba Farm Advantage Inc., *et al.*
Petitioners
v.
Pioneer Hi-Bred International, Inc.
Respondent

On Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

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Brief for *Amici* Malla Pollack and other Law Professors Supporting Reversal

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UNITED STATES CONSTITUTION

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INTEREST OF THE *AMICI CURIAE*[1]

Amici curiae ("Professors") are law professors with no financial interest in the outcome of this litigation. As experts in intellectual property, the Constitution, or both, *amici* hope that their expertise may be of benefit. Professors file this brief in the sole interest of assisting this Court to properly construe United States intellectual property law. *See, e.g.*, David Lange, *Recognizing the Public Domain*, 44 (No. 4) Law & Contemp. Probs. 147, 176 (1981) (in view of collective action problems, requesting courts to appoint *guardians ad litem* for the public domain in intellectual property cases or, at the least, to welcome *amicus* participation).

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1. No part of this brief was authored by counsel for any party to this case. The cost of this filing has been paid in full by Malla Pollack with the help of her faculty allowances as a visiting associate professor at Northern Illinois University, School of Law.

AUTHORITY TO FILE

Both parties have given permission for the filing of this *amicus* brief. Copies of the permission letters are attached to the proof of service submitted to the Clerk.

SUMMARY OF ARGUMENT

This case is not about how the United States should protect invention in sexually reproduced plants. This case is about the institutional process required to make that decision. The United States Constitution mandates that Congress make protection decisions after considering the progress of the useful arts. This basic institutional requirement is not met as to utility patents on sexually reproduced plants.

The Constitution allows Congress to grant "exclusive rights" to "inventors" in their "discoveries" only when such rights "promote the progress of . . . the Useful Arts." U.S. Const. Art. I, § 8, cl. 8 ("the Intellectual Property Clause"). When Congress considered intellectual property protection

for sexually reproduced plants, it provided a nuanced scheme of rights and exemptions. 7 U.S.C. §§ 2321-2583, Plant Variety Protection Act of 1970 ("PVPA"). At that time, Congress stated that sexually reproduced plants were not possible subject matter for utility patents under the Patent Act, 35 U.S.C. §§ 1 et seq. Congress, therefore, saw no need to amend Title 35 to prevent plant breeders from overriding the exemptions from liability in the PVPA by also obtaining utility patents.

Whatever the status of 1970 congressional statements regarding the earlier meaning of the Patent Act, these statements evidence that, in 1970, Congress decided that progress was best served without utility patent protection on sexually reproduced plants. For such plants to be entitled to utility patent protection, therefore, Congress must reconsider and decide that such broader protection would now promote the progress of the useful arts. Congress has not done so.

Until Congress makes this determination, utility patents on sexually reproduced plants are unconstitutional.

ARGUMENT

"The Constitution creates a Federal Government of enumerated powers, " *United States v. Lopez*, 514 U.S. 549, 552 (1995), as the Federalists emphasized to the ratifying public, *see, e.g.,* Federalist Papers at 541 (Modern Library ed. 1937) ("The plan of the convention declares that the power of Congress . . . shall extend to certain enumerated cases. This specification of particulars evidently excludes all pretension to a general legislative authority.") (No. 83); *id.* at 82 (No. 13); *id.* at 192-93(No. 31); *id.* at 268-69 (No. 41); *id.* at 534-35 (No. 82).

Some limitations on the federal government are written into the Constitution by negative implication -- a then common technique. *See, e.g., id.* at 196-97 (No. 32, discussing pregnant negatives in relation to the taxing

power); *id.* at 541 (quoted above; No. 83); *id.* at 559 (danger of including an incomplete list of rights; No. 84); I William Winslow Crosskey, Politics and the Constitution 486 (1953) ("[T]he enumerating of particular governmental powers *in order* to express limitations upon them was a favorite device of the Federal Convention.")(emphasis in original).

The Intellectual Property Clause, Art. I, sec. 8, cl. 8 ("The Congress shall have the power . . . To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries"), is formulated both to grant powers and, by implication, to deny others. *See, e.g., Graham v. John Deere Co.*, 383 U.S. 1, 5 (1966)("both a power and a limitation"); I Crosskey, *supra*, at 486. These limitations may not be escaped by claiming power under a more general clause, such as the Commerce Clause. *Accord Railway Labor Executives' Assn. v. Gibbons*, 455 U.S. 457,

471 (1982) ("uniformity" requirement in Bankruptcy Clause implicitly limits the Commerce Clause). Nor may the necessary and proper clause be used to negate constitutional limits. *See M'Culloch v. Maryland*, 17 U.S. 316, 423 (1819) (Congress may not "adopt measures which are prohibited by the Constitution" or "pass laws for the accomplishment of objects not intrusted to the government.").

This Court has repeatedly warned that promoting progress is the required goal of the rights Congress has power to issue under the Intellectual Property Clause. *See Graham v. John Deere Co.*, 383 U.S. 1, 6 (1966) (rights "must promote the progress of . . . useful arts. This is the standard expressed in the Constitution and it may not be ignored.")(internal quotations and citations omitted); *see e.g., Feist Publications, Inc. v. Rural Tel. Svc. Co.*, 499 U.S. 340, 349-50 (1991) ("The primary objective of copyright is not to reward the labor of authors, but to promote the

progress of science and useful arts.")(citations and internal quotation marks omitted); *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 558 (1985) ("[T]he ultimate aim is . . . to stimulate the creation of useful works for the general public.")(internal editing, citations, and quotation marks omitted).

The purpose limitation in the Clause would be unnecessary if all conceivable "exclusive rights" granted for "limited times" to "inventors" in their "discoveries" would necessarily "promote the progress of . . .the useful arts." The proposition that all such rights promote progress is facially absurd. For example, this Court has repeatedly held that scientific principles (such as $E=mc^2$), mathematical principles (such as the Pythagorean Theorem), and abstract intellectual processes (such as methods of making calculations) cannot be protected by patents, because to deprive the public of these "basic tools of scientific and technological work, "

Gottschalk v. Benson, 409 U.S. 63, 67 (1972), would hinder, rather than promote, progress. *See Diamond v. Diehr*, 450 U.S. 175, 185 (1981); *Parker v. Flook*, 437 U.S. 584, 589-9 (1978).

Empirical research agrees: costs and benefits differ depending on, among other variables, the type of subject matter and the structure of the related industries. *See. e.g.*, Roberto Mazzoleni & Richard R. Nelson, *Economic Theories About the Benefits and Costs of Patents*, 32 J. of Econ. Issues 1031, 1032 (1998) ("The empirical work that has been done on the effects of patents suggests that the kinds of benefits and costs associated with patents differ across economic sectors and across kinds of inventions."). If all rights promoted progress, economists would not have created a mass of conflicting literature disagreeing about the most effective bounds for patent coverage. *See, e.g.*, Adam B. Jaffe, *The U.S. Patent System in Transition: Policy*

Innovation and the Innovation Process, Nat'l Bur. Econ. Res., Working Paper 7280 (1999) (reviewing recent economic analyses); A. Samuel Oddi, *Un-Unified Economic Theories of Patents*, 71 Notre Dame L. Rev. 267, 268 n.6 (1996) (conflicting literature on patents' economic effects).

The issue in this case is, therefore, not simply one of statutory construction. The Intellectual Property Clause only warrants rights which promote the progress of the useful arts; not all rights do so. Before enacting any specific scheme into law, therefore, Congress must consider whether that specific scheme is likely to promote progress. If Congress mistakenly enacts a statute whose words might be read to allow patent protection outside the scope of Congress' progress determination, these purported rights are void, because they are beyond Congress' power. The Court, therefore, should not mechanically enforce the broadest possible reading of statutory language. This Court should, instead, vindicate the

legislative process by waiting for Congress in the first instance to determine how to promote progress.

The broad wording of 35 U.S.C. § 101, therefore, is not determinative. Long after enacting Section 101, Congress took a close look at the proper, progress-enhancing protection for sexually reproduced plants.[2] After this careful, fact-intensive analysis, Congress decided that sexually reproduced plants should be protected by the Plant Variety Protection Act ("PVPA"), 7 U.S.C. §§ 2321-2583. *See* H. Rep. No. 91-1605, 91st Cong., 2nd Sess. 1, *reprinted in* 1970 U.S.C.C.A.N. 5082, 5082 (recommending PVPA because it would

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2. The PVPA was enacted under the Intellectual Property Clause. "It is the intent of Congress to provide the indicated protection for new varieties by exercise of any constitutional power needed for that end, so as to afford adequate encouragement for research, and for marketing when appropriate, to yield for the public the benefits of new varieties. Constitutional clauses 3 and 8 of article I, section 8 are both relied upon." 7 U.S.C. § 2581.

"promot[e] progress in agriculture in the public interest).[3]

While enacting the PVPA, Congress indicated that it believed that the Patent Act did not cover sexually reproduced plants. H. Rep. No. 91-1605, *reprinted in* 1970 U.S.C.C.A.N. at 5083 ("Under patent law, protection is presently limited to those varieties of plants which reproduce asexually . . . "). Congress, therefore, saw no need to amend Title 35 to prevent plant breeders from overriding the exemptions from liability in the PVPA by also obtaining utility patents. Congress struck a careful balance as to how much protection and what exemptions or limitations on protection it wished to provide to promote progress in the development of sexually reproduced plants while protecting the interests of farmers and the public. Congress chose a

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3. *Amici* will not burden this Court by repeating Petitioners' explanation of the differences between PVPA and utility patent protection or the amount of congressional investigation supporting the PVPA.

balance which did not include Title 35 protection for sexually reproduced plants.

The issue is not whether a 1970 congressional statement is binding on the pre-1970 meaning of the Patent Act. The issue is what this congressional statement shows about the progress conclusion reached by the 1970 Congress. In 1970, Congress struck a balance. If this Court in 2001 accepts a much broader reading of § 101 of Title 35 than the 1970 Congress recognized, this Court will be judicially overriding the balance careful chosen by the 1970 Congress. This Court, furthermore, will be doing so without the requisite legislative inquiry into the best way to promote progress in the art of sexually reproduced plants.

This Court has sufficient evidence that the 1970 Congress pondered and rejected Title 35 protection of sexually reproduced plants. Legislative history is a good indication of what Congress considered. *See, e.g., United*

States v. Lopez, 514 U.S. 549, 562 (1995)("[A]s part of our independent evaluation of constitutionality under the Commerce Clause we of course consider legislative findings, and indeed even congressional committee findings, regarding effect on interstate commerce.").

The only reasonable conclusion from the legislative record discussed above is that the 1970 Congress concluded (1) that the PVPA scheme was the one which would best promote progress when applied to sexually reproduced plants, and (2) that the Title 35 utility patent scheme was not the proper way to promote the progress of science when applied to sexually reproduced plants.

The Constitution gives Congress the sole power to make such a progress determination. Neither the Patent and Trademark Office nor the courts may do so. In 1970, Congress decided that, as to sexually reproduced plants, progress was best served with PVPA protection and without

Title 35 utility patent protection. Absent some showing that Congress at some later date, after deliberation, decided that utility patent protection of sexually reproduced plants would promote progress, this Court must void the patents at issue as constitutionally infirm – regardless of what standard statutory construction principles alone would suggest.

As Petitioners demonstrate, however, standard statutory construction principles agree. The PVPA trumps the Patent Act because it is both the later and the more narrowly focused statement of Congress. *See Diamond v. Chakrabarty*, 447 U.S. 303, 318 (1980)(stating that Congress may narrow 35 U.S.C. § 101's wide definition of patentable subject matter by "craft[ing] a statute specifically designed for" a specific class of inventions).

The Federal Circuit usurped a legislative function by substituting a new balance for that which Congress chose when it enacted the PVPA.

CONCLUSION

For all the reasons discussed above, this Court should hold that sexually reproduced plants are not eligible for utility patents under the current statutory scheme – thus deferring to Congress for a legislative determination of whether current conditions warrant changing the progress-enhancing balance struck by the 1970 Congress.

Respectfully submitted, May 4, 2001

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